Written Statement of

Jamie Clover Adams
Secretary, Kansas Department of Agriculture

on behalf of

The National Association of State Departments of Agriculture (NASDA)

before the

House Agriculture Committee

Subcommittee on Conservation, Credit, Rural Development and Research

Wednesday, June 6, 2001

1:00 p.m.

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Mr. Chairman and members of the Subcommittee, thank you for the opportunity to present testimony on the conservation provisions of the next farm bill. My name is Jamie Clover Adams. I am the Secretary of the Kansas Department of Agriculture, and I appear today on behalf of the National Association of State Departments of Agriculture (NASDA) and my fellow Secretaries, Commissioners, and Directors from across the nation.

What I will present today is the broad outline of a bold, new environmental program for the 900 million acres of America's open space resources that are under the care and stewardship of our agricultural producers. This new state "Agricultural Stewardship Program" would be a "block grant" type initiative designed to give state and local governments greater flexibility, innovative tools, and resources to implement agricultural conservation priorities. At the outset, I need to stress that the proposal we are offering for the Subcommittee's consideration is a work in progress. It is the result of

and Directors of Agriculture from throughout the country, formally adopted as a NASDA policy recommendation during our midyear meeting in February. Since then, we have refined and elaborated on our proposal after discussions with other stakeholders and stand ready to further refine it with input from this Subcommittee.

Significant gains have been made in addressing traditional agricultural environmental concerns over the past decade. Soil erosion has decreased, as has the loss of wetlands, and wildlife habitat has been enhanced. We credit existing conservation programs for a good deal of this progress and recommend their continuation with increased funding, along with some modifications that I will mention near the end of my testimony.

Although we have been making progress in several conservation areas, the scope and range of environmental challenges faced by our farmers and ranchers have expanded, while environmental regulations have increased and changed along with the public perceptions, priorities, and the science that underlie them. My colleagues and I strongly support and encourage the use of existing USDA-managed conservation programs. At the same time, many of us have recognized that successfully meeting the new environmental demands is a "make or break" challenge for the farmers and ranchers we serve. We have begun to move on our own to try and fill the gaps in existing programs.

These initiatives have taken different forms in each region of the country, reflecting state and regional differences both in what our farmers produce and in the most pressing agricultural challenges that they face. For example, the Kansas Department of Agriculture (KDA) created a Pesticide Management Area (PMA) in the Delaware River Basin of Northeast Kansas to limit the input of atrazine and other soil-applied herbicides into area surface water. Many agencies and entities assisted KDA to gather data and educate area

residents, including the State Conservation Commission, U.S. Geological Survey, Kansas State University and Kansas Department of Health and Environment. The primary goal was to bring the amount of the chemical atrazine to below three parts per billion in area surface waters.

Voluntary recommendations were developed for agricultural uses according to the tillage practices being used by the farmer. Further, after the PMA's inception, atrazine makers amended the federal pesticide label to lower recommended application rates and adopted other water quality protection practices developed for the Delaware PMA program. The proposal also suggested application methods and encouraged using alternative weed control practices, stream buffer zones and vegetative buffer strips.

Kansas State University published recommendations in an atrazine Best Management Practices (BMP) guide which had been developed through work at the Foster Farm research site. The Kansas State Conservation Commission (SCC) offered a pilot incentive program ($5/acre) to farmers in one critical watershed (Mission Lake) to encourage adoption of KSU-recommended BMPs. Further, farmers were contacted on more than one occasion by both the SCC and a KSU Extension employee dedicated to the project. Participation was nearly 100 percent. (Only one farmer did not participate because he grew soybeans only and did not use atrazine.) Outreach to farmers and property owners was the biggest challenge. Cooperating agencies worked hard to make cost-share incentives available to producers but, in point of fact, personal contact was equally, if not more, important to the success of the Delaware PMA. Finally, all waters in this area have been removed from the atrazine-impaired waters list except Tuttle Creek (which receives 80 percent of its pesticide load from Nebraska).

Kansas and Nebraska are now working together to address this remaining issue.

Other states like New York have focused on nutrient management planning for dairy producers as a key environmental challenge, developing the Agricultural Environmental Management (AEM) program to provide direct technical assistance to dairymen and cost sharing for need improvements. The New Jersey Urban Conservation Action Partnership concerns itself with the issues that arise when farming coexists with urban and suburban development. Southwestern states are looking at programs that have a large water conservation component – an issue that is front and center in many parts of the country.

Each of these new state programs is designed to supplement those that already exist to help farmers carry out their stewardship function and bear the cost of what we see as substantial *public benefits*: open space conservation, resource preservation for future generations, and clean air and water. Each is *voluntary*, *incentive-based* rather than sanction-based, designed to address *local needs* while *complementing existing programs*, and carried out in *collaboration with all the Federal and State agencies already engaged* in local environmental management activities.

NASDA has testified before other congressional panels concerning environmental questions such as Total Maximum Daily Loads (TMDLs). Our goal will always be to assure that legislation that effectively mandates huge investments in new technology and new management practices does not put good farmers and ranchers out of business. We will continue to work on all fronts to preserve a sensible regulatory environment. At the same time, we understand that the rules of the game will keep changing.

NASDA's proposal builds on existing planning systems and infrastructure – it does

not duplicate existing programs. Our intent is to fill in the gaps, which will only increase in the future due to changing public expectations and regulatory requirements. This new approach will provide a better "toolbox" and tools to meet these needs. The potential benefits and rewards of our program are enormous because it would:

- Reach all producers, thus provide greater environmental benefits overall;
- Give states flexibility to address their most critical problems;
- Target resources to where they are most needed on a site-specific basis;
- Increase local buy-in to find workable solutions;
- Emphasize preventive measures, which are more cost-effective and offer more economic returns;
- Simplify program delivery;
- Address the expanding list of new problems (*i.e.*, carbon emissions, *etc.*)

The state departments of agriculture also stand ready to work with the Subcommittee to examine resource and funding delivery and needs. This is a high priority and the key element for an effective federal-state partnership in agricultural policy. We believe that there is a strong public policy argument for federal cost sharing to help agricultural producers deal with changes in what the public expects in the way of environmental management. A good analogy would be the assistance provided by the federal government over the past three decades in upgrading municipal water treatment facilities to meet Clean Water Act requirements. Today our waters are cleaner than they have been in generations. Thanks to federal support for necessary local investments, this enormous progress toward a national goal was accomplished without bankrupting small cities and towns.

Today, public expectations, increased regulation and a growing list of environmental challenges are demanding on-farm environmental enhancements that are beyond the short-term and long-term economic payback for producers. For example, many conservation practices have high capital or management input costs, but do not generate additional revenues. Agriculture is not organized in a fashion that allows increased costs of production to be passed on to consumers. As such, on-farm expenditures for conservation compete directly with servicing farm debt and other family financial needs. In addition, implementing more stringent and complex standards usually increases the need for more costly approaches and technologies. Farmers are ready to do their part in accomplishing current and future national environmental goals. However, what will be expected of a cattle feeder in North Dakota will be quite different from the challenges faced by citrus grower in Florida.

Our Agricultural Stewardship Program asks the Federal government to recognize two key facts:

- **A one-size-fits-all approach toward helping agriculture meet the environmental challenges of the next decade will leave some regions and the producers of some crops or livestock products out in the cold.**
- **Local leadership is required for designing and implementing realistic programs, focused on what local stakeholders agree are the most pressing local agricultural environmental problems.**

Our State Departments of Agriculture stand ready to provide that leadership. As I have noted, many are already moving forward to design and implement effective producer-

oriented environmental programs, utilizing local and state resources. Programs like Kansas' Pesticide Management Area (PMA) have the potential, given the resources, to assist even more producers for the benefit of the environment and our agricultural industry.

NASDA believes that an effective state "working fund" for agricultural environmental stewardship will have these characteristics:

- **Funding will come through cooperative agreements between USDA and State Departments of Agriculture, which will be the lead agencies in designing and carrying out programs; similar to the way State Revolving Fund grants are provided by the Environmental Protection Agency (EPA) to the states upon approval of an Integrated Use Plan;**
- **Program parameters will recognize activities designed to enhance protection of land, water, air and wildlife in the broadest terms possible, without duplicating existing planning systems and infrastructure;**
- **States will have the flexibility to allocate dollars between payments to producers and/or technical assistance, based on local needs and priorities;**
- **Producer participation will be voluntary, incentive-based, and targeted toward those environmental enhancements that are supported by sound science and produce measurable results;**
- **Contract payments to participating producers will be made on an annual basis;**

- **All programs will have provisions to protect individual producer privacy and data confidentiality.**

Farmers and ranchers have provided tremendous environmental gains through participation in conservation programs established in the 1985, 1990, and 1996 Farm Bills. These programs are generally working well. However, limitations and inequities are preventing these programs from achieving their full potential. Let me now briefly outline our suggestions for changes in three existing environmental programs.

Wildlife Habitat Incentives Program (WHIP) - NASDA recommends that WHIP be redirected with the addition of a Critical Habit Incentive Program (CHIP). This addition would dedicate a specific proportion of resources within an increased WHIP appropriation to carry out voluntary critical habitat enhancement, and would give a higher priority to enhancement of critical habitats within the program as a whole.

Environmental Quality Incentives Program (EQIP) - NASDA has several recommendations, starting with our proposal that states be given more flexibility and discretion to decide eligible conservation practices. We further noted that:

- The national size restriction for EQIP livestock projects limits opportunities for producers. The 1,000 animal unit threshold may seem large in Michigan, but it is small by Kansas standards.
- Many practices outlined in the EQIP guidance for livestock practices do not work well for smaller producers and those who may work other jobs-a category of producers that is increasing in many states.
- The program should allow for one-year contracts and should remove the

$50,000 payment cap.

Conservation Reserve Program (CRP) - NASDA recommends that approved maintenance of land enrolled in the program should include grazing, under the following conditions:

- NRCS has determined that maintenance is required on the land to maintain plant heath, ground cover and/or improvement of wildlife habitat;
- Grazing must be high-intensity and short term, to provide benefits that may be more environmentally beneficial than burning, disking, clipping, or spraying;
- The CRP rental payment is reduced at a rate equal to the value of the forage or the maintenance fee; and
- The payment, time of year, and frequency of maintenance will be according to a determination by the local technical committee.

In closing, I would like to note NASDA's strong view that, budget realities notwithstanding, investment in agricultural environmental stewardship should not be viewed as simply one more category of farm program spending. Should it be viewed in that way, a substantial additional investment in support for producer-level environmental enhancements will tend to trade off against unrelated programs designed to address consequences of low and unstable farm prices. An environmental stewardship "working fund" will not address the potentially disastrous implications of another year of low farm commodity prices, or point the way to stable long-term solutions to the underlying financial problems facing American agriculture. However, we know that our proposal will help us keep those farming and ranching operations that are most heavily burdened in helping

achieve environmental goals from folding while we work to improve opportunities for growth and profitability in agriculture as a whole.

Speaking for all my state colleagues, I appreciate this opportunity to present views on how we can support good agricultural environmental stewardship in every region of the country. We look forward to working with the Subcommittee to develop a federal agricultural policy that provides necessary tools for a healthy and profitable agricultural industry and to help farmers and ranchers continue to be good stewards of the land. Thank you.